

Rental Property – SMSF Audit Checklist

Valuation evidence:

- Valuation Report as of 30 June of each year showing the property's market value.
- Copy of the appraisals/emails/RP Data/Onthehouse/Realestate.com.au obtained used in determining market value.
- Fully executed contract of sale & Settlement, trust account receipts in year acquired.

Ownership / Existence evidence:

- A current title search, dated after each reporting period to show existence / ownership has been asserted on 30 June of each year.

Rental income and expenditure evidence:

- Date property first earned rental income.
- Rental income earned and expenses (through real estate agent statement):
 - Rental income earned and other income (water).
 - Advertising for tenant
 - Body corporate fee
 - Cleaning/ Gardening/ Lawn mowing
 - Repair and maintenance
 - Pest control
 - Property agent fees/ commission
 - Stationery, telephone, postage
 - Water charges
 - Sundry rental expenses
- Interest charged on money borrowed for the rental property
- Receipts/ Invoices for amount spent on other expenses relating to the rental property:
 - Council rates
 - Repair and maintenance
 - Insurances
 - Quantity surveyor fees
 - Secretarial and bookkeeping fees
 - Legal expenses, include:
 - evicting a non-paying tenant
 - taking court action for loss of rental income
 - defending damages claims for injuries suffered by a third party on your rental property.

- Capital work deductions and Capital allowances:
 - Quantity surveyor report.

This shows details of any capital works expenditure to the rental property (Capital works include the construction, extension, alteration, and improvement of any capital asset (such as buildings, dams, and roads) and structural improvements such as fences, retaining walls and sealed driveways).

- Lease agreement/ Trustee written declaration on lease agreement with all trustee members' signature. This should include property address, tenant name(s), whether they are related party or not, rental amount and income period.